

Remarks

Claim rejections 35 USC § 101

Claims 1 and 35 stand rejected as being directed to non-statutory subject-matter. The rejection was written in response to a finding of the BPAI, based on the presumption that the “machine or transformation test” (*In re Bilski*, 545 F.3d 943, 88 USPQ 2d 1385 (Fed. Cir. 2008)) was the sole test for determining patent eligibility.

The rejection is traversed on two grounds: firstly, that claims 1 and 35 do in fact satisfy the “machine or transformation test”; and secondly, that a rejection solely based on the “machine or transformation test” fails to address the proper enquiry which has since been set forth in the recent Supreme Court Decision *Bilski v. Kappos*, No. 08-964 (June 28, 2010).

First Ground: Machine or transformation test is satisfied

Claim 1 is amended to recite that the method is “carried out by an ordering server programmed to carry out the steps of the method, which comprise: ...” The most recent guidance issued by the USPTO is the *Interim Guidance for Determining Subject Matter Eligibility for Process Claims in View of Bilski v. Kappos*, Federal Register, Vol. 75, No. 143, 43922; Tuesday July 27, 2010. This guidance is stated to be “a supplement to the previously issued *Interim Examination Instructions for Evaluating Subject-Matter Eligibility Under 35 U.S.C. 101* dated August 24, 2009”.

For ease of reference these two sets of guidelines will be referred to herein as the “*July 2010 Interim Guidance*” and the “*August 2009 Interim Instructions*”. It is clear from the foregoing that the *August 2009 Interim Instructions* still provide valid guidance for determining whether a process falls within the “machine or transformation” test, even if this is not the sole test to be used.

In the *August 2009 Interim Instructions* it was stated that:

For computer implemented processes, the “machine” is often disclosed as a general purpose computer. In these cases, the general purpose computer may be sufficiently “particular” **when programmed to perform the process steps**. Such programming creates a new machine because a general purpose computer, in effect, becomes a special purpose computer once it is programmed to perform particular functions pursuant to instructions from program software. **To qualify as a particular machine under the test, the claim must clearly convey that the computer is programmed to perform the steps of the method** because such programming, in effect, creates a special purpose computer limited to the use of the particularly claimed combination of elements (i.e., the programmed instructions) performing the particularly claimed combination of functions. If the claim is so abstract and sweeping that performing the process as claimed would cover substantially all practical applications of a judicial exception, such as a mathematical algorithm, the claim would not satisfy the test as the machine would not be sufficiently particular. [emphasis added]

Claim 1, in stating that the ordering server is programmed to carry out the steps of the method, thus falls squarely within the “particular machine” branch of the test. Claim 35 is not amended as it already provided that the instructions, when executed, cause an ordering server to carry out the claimed steps.

Second Ground: Claim not directed to an abstract idea

As has been now clarified by the United States Supreme Court in *Bilski v. Kappos*, No. 08-964 (June 28, 2010), 35 USC § 101 is expansive, covering processes, machines, manufactures and compositions of matter. There are three specific exceptions to these broad patent-eligibility principles: laws of nature, physical phenomena and abstract ideas.

The “machine or transformation” test, which formed the sole basis for the rejection of claims 1 and 35 under 35 USC § 101, is a useful and important clue but “is not the sole test for deciding whether an invention is a patent eligible ‘process’”. The current rejection, being based solely on this test (having been written prior to the Supreme Court decision, of course), does not consider whether the invention contravenes one of the three specific exceptions to patent-eligibility.

The Bilski claim was directed to a method of hedging commodity transactions, and was purely an abstract idea which would have granted Bilski a monopoly over the method in all fields. There was no interaction with any machine, nor was a machine required to carry out the method.

In the *July 2010 Interim Guidance* several indicators are listed which, when applied to the method of claim 1 and product of claim 35, would indicate that the invention is patent eligible:

1. *Express recitation of a machine* (i.e. the ordering server)
2. *Machine is particular* (see the argument above that a computer which is clearly stated in the claim to be programmed to carry out the method steps is a particular machine not a general machine)
3. *Machine implements the claimed steps* (see preceding point)
4. *The claim is more than a mere statement of a concept* (it sets out specific steps that must be taken, files that must be created and records that must be referred to).
5. *The claim describes a particular solution to a problem to be solved* (a particular method of allocating orders according to a defined series of steps and rules, operated by a programmed ordering server)
6. *The claim implements a concept in some tangible way* (i.e. it requires the creation and maintenance of various records in the ordering server, and the interaction of the ordering server with the outside world via specified inputs (requests) and outputs (allocating an order), in line with the method steps set forth in the claim)
7. *The performance of the steps is observable and verifiable* (the claim requires the creation and maintenance of e.g. a current order record identifying a first location and first time at which each agent is expected to become free to fulfill a new order. It can be readily and observably verified if a computer system has created and is maintaining such a record. The same is true for the prioritized listing of locations.)

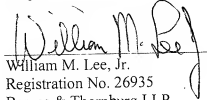
In summary, therefore, the claimed invention satisfies all of the factors which weigh towards patent eligibility.

In view of the amendments and arguments made herein, the applicants respectfully request the examiner withdraw the rejections, and allow the application.

As this response is being filed during the fifth month following the Examiner's Office Action, an appropriate petition for a two month extension of time is also submitted herewith.

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "William M. Lee, Jr.", is written over a horizontal line.

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